

up to \$15 million annually from the Superfund to local governments to perform such assessments. Furthermore, to facilitate cleanups, the bill authorizes the use of up to \$30 million annually in loans to finance remediation activities.

Second, this legislation clarifies the lender liability issue in order to encourage private sector investment. The Fleet Factors case obscured the intent of Superfund's secured-lenders exemption. This confusion has made many lenders reluctant to become involved in potentially contaminated properties. Bankers now often fear that their interest may make them subject to cleanup liability for newly discovered or released contamination. The bill makes it clear that lenders who are merely performing a lending function and not managing a site's daily operations or contributing to the contamination can lend for redevelopment purposes without fear of incurring large environmental liabilities. The bill also provides protections to lenders who act in their capacity as fiduciaries.

Third, this legislation provides protection for good faith prospective purchasers. To protect innocent landowners from Superfund liability when they acquire property subsequently found to be contaminated, the bill exempts prospective purchasers from such liability if certain precautionary measures are taken. Under Superfund, the owner of a contaminated tract of land may be held responsible for cleaning it up even if the pollution was created by the prior owner. Thus, potential purchasers are often deterred from investing in sites with potential contamination. This provision allows a purchaser who checks the site carefully before purchase to avoid liability if contamination is subsequently discovered.

This legislation is the result of our discussions with many leaders on this issue. St. Louis Mayor Freeman Bosley, Jr., cochair of the U.S. Conference of Mayors' Brownfields Committee, has been committed to finding solutions to problems associated with brownfields. We have also worked closely with St. Louis lenders, environmentalists, and the St. Louis Regional Commerce and Growth Association. Finally, I am pleased that this bill has the support of the National League of Cities. Their contributions helped us focus on the most critical problems and develop solutions that are workable in an era of fiscal limits.

This legislation does not solve all aspects of the brownfields redevelopment problem. The solutions require a comprehensive reform of the Superfund bill, of the sort that nearly passed the House last year. There are also other aspects of the problem—such as those involving the treatment of leaking underground storage tanks—that must be addressed as well.

Generally, this legislation begins us on the way toward confronting the most important factors that have blocked the redevelopment of communities throughout urban and rural America. I thank all of my colleagues, particularly Mr. BROWN and Mr. DINGELL, for their hard work in developing this bill.

A BROWNFIELDS CLEANUP PROGRAM

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 3, 1995

Mr. BORSKI. Mr. Speaker, I am pleased to join today with the gentleman from Ohio [Mr. BROWN], the gentleman from Michigan [Mr. DINGELL], the ranking Democratic member of the Commerce Committee, and the Democratic leader, Mr. GEPHARDT, to introduce legislation to help cities attract jobs by cleaning up brownfields sites.

This initiative will bring jobs to Philadelphia and every other city that has been facing inflexible environmental laws.

This bill is necessary because Superfund has become an obstacle to the economic redevelopment of our cities. Superfund has become a job-killer in our Nation's cities and that has to be changed.

Mayor Ed Rendell of Philadelphia, America's mayor, made revision of the Superfund brownfields program a prominent part of his new agenda for urban America.

The current Superfund Program has required America's cities to fight the battle for jobs with one hand tied behind their backs. Cities must be able to attract jobs—new jobs—if they are going to be able to expand their tax bases and provide funds for all the other services that are essential in urban areas—schools, housing, transit and many others. Cities cannot survive without new jobs.

In Philadelphia, the city is attempting clear away the more than 30,000 abandoned buildings that dominate far too much of the city. They want to clear the lots for development but they have run into a stone wall because no developers want to touch land that poses the threat of Superfund involvement.

Our Commissioner of Licenses and Inspections, who is in charge of this effort, testified before the Subcommittee on Water Resources and the Environment about an atmosphere of fear among prospective developers.

It is clear that we must take the steps that are necessary to dispel the atmosphere of fear that pervades our cities.

This bill that we are introducing today will help Philadelphia and all the other cities with the same problem a small measure of help by setting aside Superfund money to be used just for these sites.

During the next 3 years, \$45 million would be available for grants to cities for preliminary site characterization work and \$90 million would be provided for loans to cities for cleanup.

The bill also includes protection for prospective purchasers—people who want to buy property but may be scared away by the potential liability.

Under this bill, prospective purchasers who have no connection with the waste disposal will be shielded from liability.

The brownfields problem has a major impact on communities across the country. Experts have estimated as many as 500,000 contaminated sites that could be available for productive industrial development if the liability issue was settled.

EPA Administrator Carol M. Browner has done a good job moving this program in the right direction with her brownfields action agenda, especially removing 25,000 sites from the CERCLIS list.

That removal eliminates the taint of a Superfund listing from sites that don't belong on a Superfund list.

More must be done legislatively to focus attention on the brownfields problem.

As the ranking Democratic member on the Water Resources and Environment Subcommittee, I am prepared to offer this bill during the Superfund debate in the Transportation and Infrastructure Committee.